

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6661**

**BILL NUMBER: HB 1411**

**DATE PREPARED:** Dec 15, 2000

**BILL AMENDED:**

**SUBJECT:** Primetime Distributions.

**FISCAL ANALYST:** Chuck Mayfield

**PHONE NUMBER:** 232-4825

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures	524,000	1,048,000	1,048,000
Net Increase (Decrease)	(524,000)	(1,048,000)	(1,048,000)

LOCAL IMPACT	CY 2001	CY 2002	CY 2003
Local Revenues	1,048,000	1,048,000	1,048,000
Local Expenditures			
Net Increase (Decrease)	1,048,000	1,048,000	1,048,000

**Summary of Legislation:** This bill amends a provision in the primetime distribution formula to allow school corporations that did not participate in the Primetime funding program in 2000 to receive a distribution in 2001 and following years.

**Effective Date:** January 1, 2001 (retroactive).

**Explanation of State Expenditures:** This bill allows school corporations not currently participating in Primetime to receive a distribution if they choose to participate in the future. The bill would increase General Fund and Property Tax Replacement Fund expenditures by \$1,048,000 annually. The increase for FY 2001 is only for six months. The provision would affect two schools: Crothersville Community Schools and Muncie Community Schools. The Gary Community Schools also did not participate in Primetime in 1999

but would not receive money under the new formula.

For CY 2001, the tuition support cap (maximum that can be distributed during CY 2001 to local schools) of \$3,321,000,000 would have to be increased by \$1,048,000. If the cap is not changed, then the two schools will receive additional funding. However, the funding to the other 292 schools would be reduced so that the distribution for CY 2001 equals \$3,321,000,000.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** See Explanation of State Expenditures.

**State Agencies Affected:** Local School Corporations.

**Local Agencies Affected:** Crothersville Community Schools and Muncie Community Schools.

**Information Sources:** Department of Education.